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November 8, 1999

VIA HAND DELIVERY

Ms. Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 12<sup>th</sup> Street, S.W.
Twelfth Street, Lobby, TW-A325
Washington, D.C. 20554

PETOE OF THE SECRETARY

Re: Notification of Ex Parte Contact in IB Docket No. 98-172

Dear Ms. Salas:

On October 27, 1999, Joe Sandri, Barry Ohlson and Arne Jerfsten of WinStar Communications, Inc., along with Jack Richards and Randy Young of Keller and Heckman, met with Rick Engelman, Ed Jacobs and Steve Selwyn of the FCC's International Bureau, and Ron Netro and Mike Pollak of the Wireless Telecommunications Bureau to discuss matters pertaining to the relocation of Fixed Service licensees in the 18 GHz band, the substance of which is covered in comments Winstar previously filed in the proceeding. A written presentation which summarizes the points we discussed is attached. Also at the meeting, we corrected a typographic error on page 10 of Winstar's Reply Comments in this proceeding, in which we had stated that the "bit error rate" (BER) of Winstar's 18 GHz links was 10<sup>-18</sup>. The specification sheet for the 18 GHz equipment employed in Winstar's system states that the BER is 10<sup>-12</sup>, or better. The record is herewith corrected to reflect a BER of "10<sup>-12</sup>, or better."

Pursuant to section 1.1206 of the Commission's rules, two copies of this letter have been filed with your office. Please feel free to contact me with any questions.

Sincerely,

Jack Richards

WinStar Communications, Inc. Ex Parte Meeting with FCC 18 GHz Proceeding (IB Docket No. 98-172) October 27, 1999

## **Talking Points**

Overview of WinStar's competitive services and operations.

WinStar is different from most other FS commenters in that 18 GHz spectrum is used to provide competitive and advanced telecommunications services, not for private internal use.

WinStar is similar to many new satellite services in that it is providing alternatives to LECs, and is rapidly deploying advanced telecommunications services, increasingly in outlying suburban areas and office parks/campuses. However, the FCC should not favor *means of delivery* of competitive and advanced services by satellite to the detriment of terrestrial; rather, both must be accommodated.

Principles adopted in the *Emerging Technology* and *Cost Sharing* proceedings provide an appropriate model for 18 GHz relocation, including voluntary/mandatory negotiation periods, and payment for necessary and reasonable expenses for relocation to comparable facilities. Prior relocation procedures worked well for all — incumbents, new entrants and the Commission.

Commission should reject suggestions that relocation payments be based on depreciated equipment values plus 2% of hard costs for engineering and installation; rather, replacement cost should be basis for compensation.

The Commission should identify a relocation band that offers similar characteristics to the 18 GHz band and comparable thruput. *Where* relocation spectrum is made available is not critical; rather, the Commission should designate *sufficient*, *exclusive* relocation spectrum for the FS. Spectrum in the millimeter wave band (above 17 GHz) is preferable.

Sunset for relocation should not begin to run until unencumbered spectrum is identified, and an equitable cost reimbursement scheme is developed.